GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2640
ANSWERED ON:07.03.2003
INDO-RUSSIAN TRADE
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India stands to lose the Russian market to China and European countries after the expiry of Rupee-Rouble Debt Repayment arrangement in 2004;

(b) whether China has recorded a $ 12 billion trade with Russia last year against India`s bilateral trade with Russia amounting to a mere $ 1.4 million;

(c) whether a business/industry delegation has visited Moscow recently to promote Indian trade;

(d) if so, the outcome thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a): To maintain and further enhance Indian exports to Russia in the post-rupee debt repayment scenario, it was agreed by both Sides, during the Eighth Session of Indo-Russian Working Group on Trade and Economic Cooperation held in February, 2002 at New Delhi, that all efforts need to be made both at the governmental level and through increased interaction among the business circles to provide gradual transition to trade on the basis of normal commercial terms and forms. In this context, the Sides particularly noted the progress made in developing cooperation between Indian and Russian banking and financial institutions. Both Sides further agreed to actively promote and further facilitate increased and direct interface between Indian and Russian entrepreneurs which will lead to a better understanding of economic and commercial opportunities as well as of the legal and administrative frameworks for doing business in the two countries.

(b): Russia`s trade turnover with China in the year 2001 was US $ 7.1 billion according to Russian Customs statistics whereas the Indo-Russian bilateral trade during the financial year 2001-2002 was worth US $ 1.3 billion according to DGCI&S, Kolkata.

(c) & (d) : The Federation of Indian Chamber of Commerce & Industry(FICCI) led a CEO`s delegation to Moscow in February 2003 for holding the 3rd meeting of the India-Russian Federation Joint Business Council.Inter-alia discussions were held for promoting bilateral trade in various areas of mutual interest. An Indian Trade Exhibition was held in Moscow from February 17-21, 2003 where over 200 Indian companies participated. These events proved very significant in broadening the existing business-to-business contacts between India and Russia, and also bridge the information gap on opportunities for enhancing our economic and commercial relations. It is expected that an improved appreciation of the existing market in both countries would pave the way for a sustained engagement between our business sectors.